

December 8, 2007

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WASHINGTON, DC - U.S. Rep. Charlie Melancon today celebrated passage of historic legislation increasing energy production in the Gulf and Mexico and giving Louisiana a substantial share of royalties from oil and natural gas drilling off the state's coast for coastal restoration, hurricane protection and flood control projects. The legislation, which was identical to the Senate-passed Domenici-Landrieu Gulf of Mexico Energy Security Act (S. 3711), was included in a package of tax provisions that passed the House by a vote of 367 to 45. Melancon successfully convinced 155 Democrats to vote for the package.

"Today is a historic victory for Louisiana's future," said Melancon. "After decades of producing energy for our country and getting almost none of the royalties; after decades of watching our coastal marshes, estuaries, and barrier islands wash away into the Gulf; after decades of fighting in Congress for a fair royalty-sharing agreement, we finally have a deal."

The Senate, which passed S. 3711 with a strongly bipartisan 71-to-25 vote in August, is expected to pass the combined revenue sharing and tax-extender package this weekend and send it to the President for his signature.

"I want to thank all the people who have fought for this legislation, including the entire Louisiana Congressional delegation, Governor Blanco, and advocacy groups like Women of the Storm, America's WETLAND, Parishes Against Coastal Erosion, Coalition to Restore Coastal Louisiana, Levees.org, and many others who have worked tirelessly to help educate our fellow members of Congress about how crucial revenue-sharing is for Louisiana's future," said Melancon. "I especially want to thank Senator Landrieu for her vigorous leadership in the Senate on this issue."

The historic legislation will open 8.3 million acres in the Gulf of Mexico to offshore oil and natural gas drilling and share 37.5 percent of the new revenues with Louisiana, Texas, Mississippi and Alabama. The plan is projected to provide for Louisiana a dedicated revenue stream of more than \$13 billion over the next 30 years. On September 30, 2006, Louisiana

citizens overwhelmingly passed a Constitutional amendment reserving every penny of new offshore royalties for the sole purpose of coastal wetland conservation and restoration and hurricane protection projects.

"When I travel across south Louisiana, I see with my own eyes how our rich marshes and wetlands are disappearing," said Melancon. "Louisiana loses a football field-sized piece of land to the sea every 35 minutes. During Hurricanes Katrina and Rita, we lost over 200 square miles of coastline. Our state is literally washing away into the Gulf of Mexico."

Melancon continued, **"Coastal erosion is not only an environmental tragedy; it is also human tragedy because hundreds of thousands of people have been left with gradually declining protection from deadly hurricanes. Barrier islands and coastal wetlands weaken deadly storm surges, protecting our people and communities. No one understands the need for a serious coastal restoration effort than the people of south Louisiana, and no one is more thrilled with the passage of OCS revenue sharing than my fellow south Louisianans."**

Melancon was a leading co-sponsor of the House offshore revenue-sharing bill, the Deep Ocean Energy Resources (DOER) Act (H.R. 4761), which he crafted with other members of the House Resources Committee. He was also instrumental in building support among Democratic members of Congress for the DOER Act, providing the bill's margin of victory by convincing 39 fellow House Democrats to vote with him in favor of the legislation, and creating momentum for today's final vote.

The package passed by the House today also includes a two-year extension of the Gulf Opportunity (GO) Zone tax incentive that provides strong motivation for companies to invest in the Louisiana parishes hit hardest by last year's hurricanes. The GO Zone credit, which would have expired at the end of 2008, will now extend the 50 percent tax reduction for new facilities or equipment in many Katrina and Rita-impacted parishes until 2010.

"The GO Zone tax incentives are a critical helping hand in getting Louisiana's economy back on its feet," said Melancon. "Just over a year ago, we weathered the two worst hurricanes in our nation's history. As we struggle to recover, I am glad businesses will continue to have an added incentive to invest in south Louisiana."

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